



Statement by
Denise L. Nappier, Treasurer, State of Connecticut

*News Conference on Exxon Mobil Shareholder Resolutions
Tuesday, February 25, 2003*

I am pleased, as Treasurer of the State of Connecticut with principal fiduciary responsibility for the \$17 billion Connecticut Retirement Plans and Trust Fund, to participate in this press conference to discuss the shareholder resolution that our fund has filed on disclosure of greenhouse gas and other emissions at Exxon Mobil.

In the resolution, we ask the Exxon Mobil board to report to shareholders on "the operating, financial and reputational risks to the company associated with climate change and to explain how the company will mitigate those risks."

If we have learned anything from the corporate scandals of the past year, we have learned that adequate disclosure of information that could affect the long-term health of a company is vital to individual and institutional investors who have a responsibility to vigorously pursue proxy voting rights in a manner that (1) protects our shareholder value, and (2) makes the companies in which we invest more accountable to public policy issues that foster sustainable governance including environmental quality.

It is imperative for companies to provide shareholders with clear and accurate information about the current as well as the future health of a company - and this goes beyond accounting. Reforms that focus on accounting should be the beginning, not the end, of our response to the corporate scandals and the need to restore investor and public confidence in the financial markets.

Global warming is one area in which corporate behavior is critical. As a long-term investor, I believe that companies that have potential environmental risks should take immediate and long-term steps to mitigate those risks. The stakes are high. When fossil fuels are used to create energy, CO₂ is a major by-product. So, Oil companies will be directly impacted by the need to reduce CO₂ emission as the world works to mitigate their impact on the earth's climate.

Exxon Mobil, as the largest oil company in the world should lead the industry and be a model for how best to address the risks and opportunities that global warming poses. Instead, this company chooses to rest on its declining laurels and ignore the growing environmental concern between fossil fuels and warming. Why? Because according to Exxon Mobil's CEO Lee Raymond it would not be fiscally prudent to do so over the short-term.

From my perspective, the company's stance is penny-wise and pound-foolish. It is like saying that they don't believe that they will ever have a fire in their office building - and therefore won't incur any cost to evaluate that potential risk and develop an escape plan for their employees, unless and until there ultimately is a fire. By then it may be too late. We need for them to act responsibly now before any damage, financial or otherwise, is done.

In addition, not addressing this risk now is putting Exxon Mobil at a competitive disadvantage with its competitors. Major oil companies such as British Petroleum and Shell are well ahead of the curve in evaluating and acting on the risks posed by climate change. Surely, it is not in the best interest of Exxon Mobil or its investors to stand idly by as others do what must be done.

I hope this resolution and similar resolutions filed at other companies, such as American Electric Power (AEP), will serve as a notice to the energy industry - and others -- that as shareholders we will not tolerate irresponsible corporate behavior that could potentially undermine the integrity and soundness of our pension funds and the health of our planet and its people.